

CUSTOMER SUCCESS OPERATING MODEL



PART 4. ADOPTION

Part 1. Core Elements

Part 2. Metrics

Part 3. Onboarding

Part 4. Adoption

Part 5. Expansion

Part 6. Core Skills

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An initiative by:



Introduction



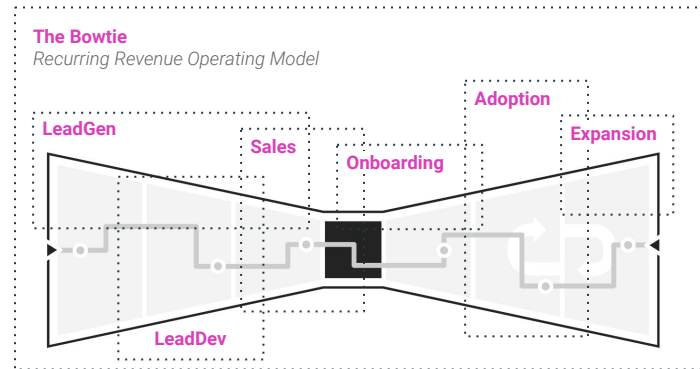
A Uniform Operating Model for a
Recurring Revenue Businesses

The 3 Goals of the Operating Model for Recurring Revenue:

- Goal 1. Establish a common, and customer centric, language.
- Goal 2. Apply standardized metrics to allow for benchmarking.
- Goal 3. Create Interoperability between different functions.

It is based on the following steps:

- Step 1. Use of the bowtie to model the entire customer journey.
- Step 2. Split up the customer journey in phases.
- Step 3. Establish key metrics for each phase [M, CR, PM].
- Step 4. Identify a handful of Moments that Matter per phase.
- Step 5. Create a Blueprint for each of these moments.
- Step 6. Codify SPICED into a Blueprint so it can be trained, improved, etc..
- Step 7. Measure metrics [M, CR, PM] and improve over time



The key functions are:

1. Lead Generation
2. Lead Development
3. Sales
4. Onboarding
5. Adoption
6. Expansion

Introduction

IN

The 2023 Blueprint format explained.

The location of where you are at:

- The CS Operating Model
- In the Onboarding Playbook
- Handoff to Customer Success
- Blueprint 01
- Large numbering allows you to navigate easily in the slide sorter.



Clear description of the action and what it does. Handoff to CS is to Transfer critical account info

The goal of each blueprint is clearly stated upfront.

The banner provides a visual cue to actions that are identified as a moment that matters.

CS Operating Model - Onboarding Phase

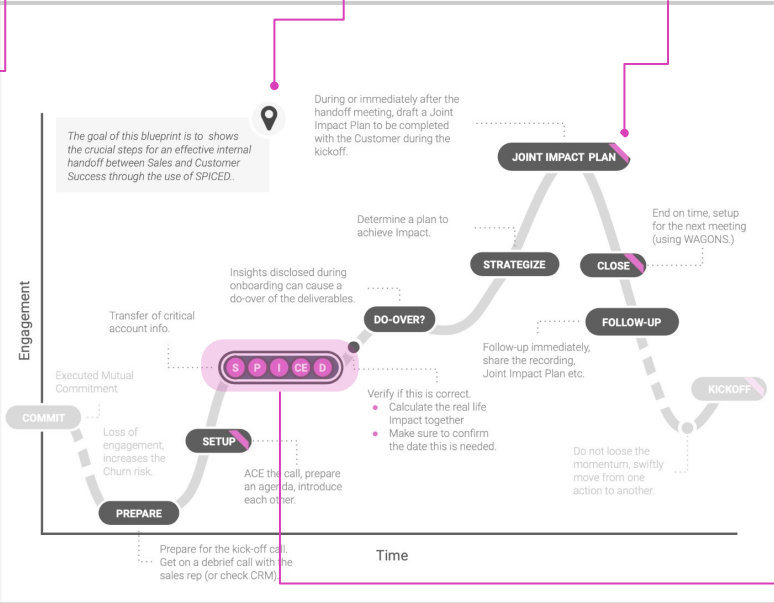
Handoff to CS

01 Effectively transfer critical account information.

A smooth and effective customer handoff from the Sales team to the Onboarding and CS team is critical. It helps the customer experience and, ultimately, your business outcomes.

Ensure Sales teams are accountable for completing detailed handoffs to the Onboarding and CS team before they move on from the account. Best practices for good handoffs include:

- Complete the handoff as close to commit as possible while the information is still fresh.
- Transfer critical account info using SPICED™ including crucial details about topics like org structure, personas, and red flags.
- Use clear handoff guidelines to ensure all team members know:
 - ❑ Who bought from us?
 - ❑ Why did they buy?
 - ❑ What were they doing before?
 - ❑ Why was that not working for them?
 - ❑ What was the problem to solve or avoid?



Reference to the next action and blueprint in the customer journey.

Presence of SPICED, the framework which creates interoperability between blueprints.

Expertise broken down into a series of steps, actions, best practices etc.

Visual that guides you through the experience as a function of customer engagement over time.



Overview Adoption

A0 To help a customer adopt and use a service to unlock the impact, does not come natural to hypergrowth teams.

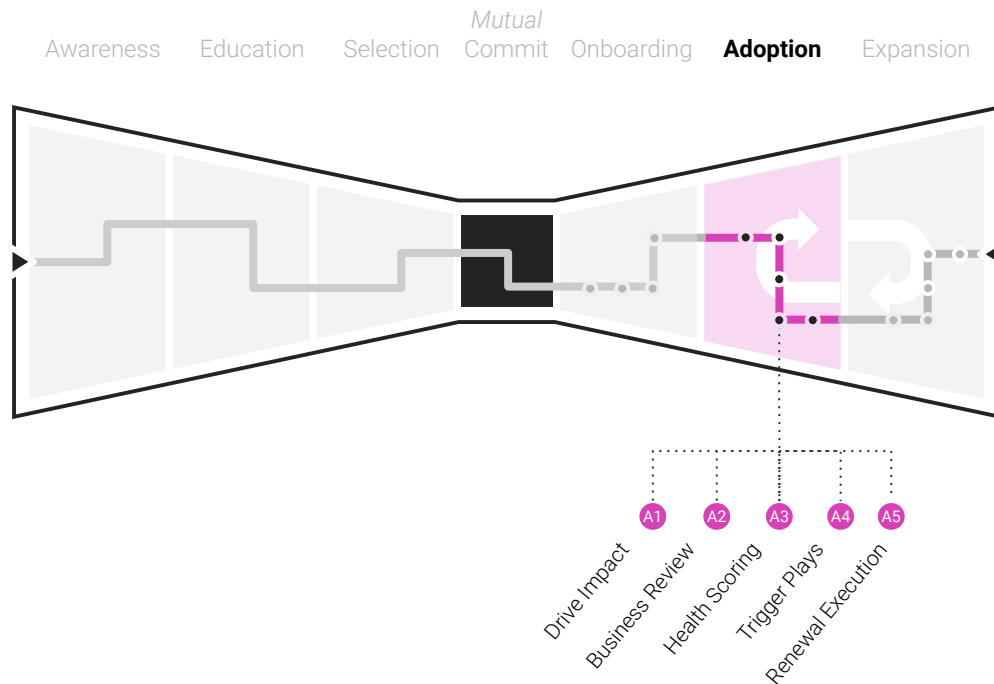
The Adoption Phase of the customer journey is where your customers will spend most of their time. It's critical during this phase to set up a proactive meeting cadence appropriate to the size of the customer and to establish ways to surface risks and opportunities as early as possible.

By establishing the following critical components as part of your Adoption Phase, you can ensure that teams are focused on delivering ongoing Impact efficiently and effectively.

There are five crucial actions part of the adoptions process:

- A1.** Drive Impact Process
- A2.** Business Review
- A3.** Health Scoring
- A4.** Trigger Plays
- A5.** Renewal Execution

A proactive, repeatable approach to managing accounts will instill confidence in your customers, allow your team members to focus and prioritize, onboard new team members more quickly, and support scalability and positive business outcomes.



Drive Impact Process

A1

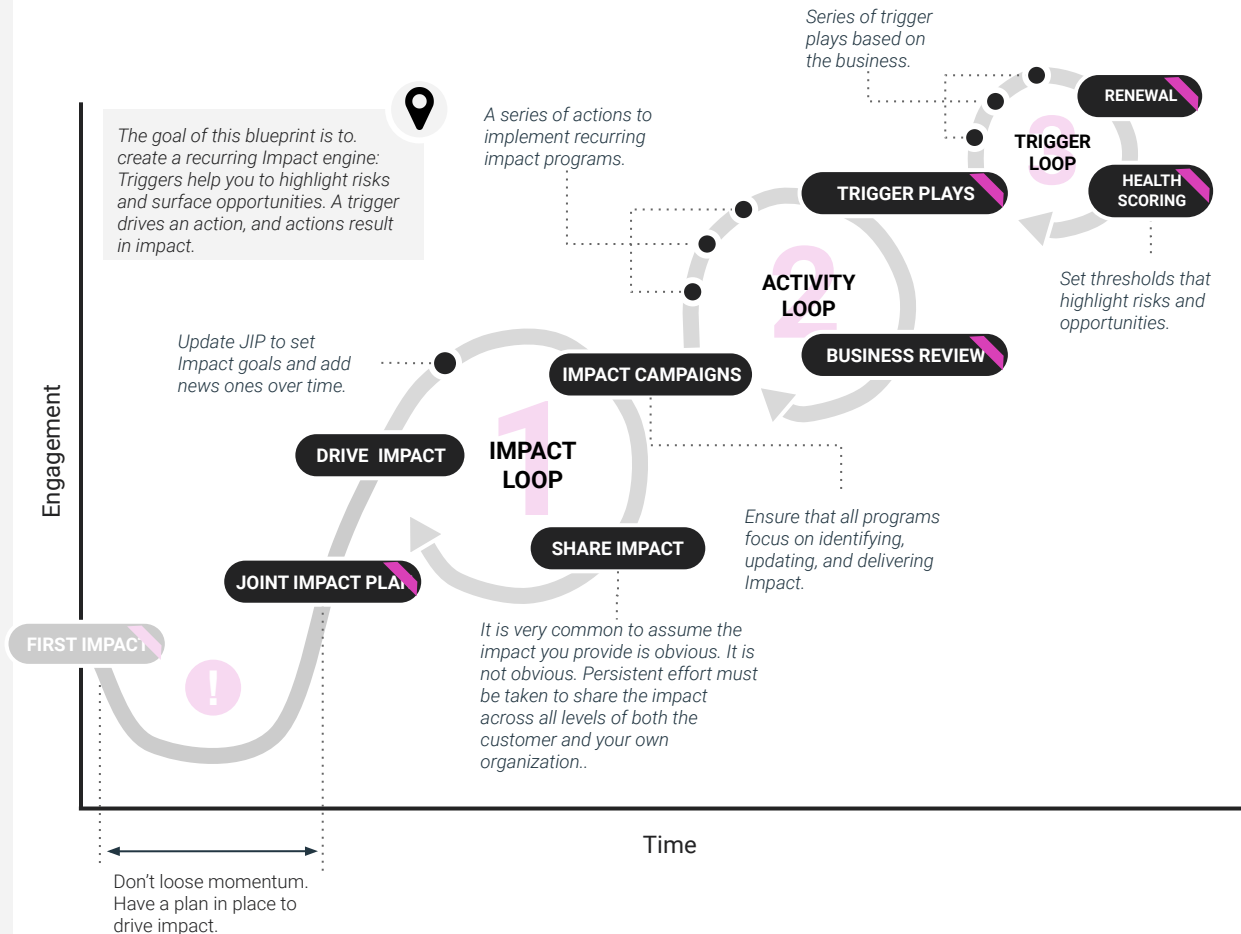
The *north star* that keeps you and your customer focused

The goal of a Recurring Revenue service is to provide customers with recurring Impact. The Impact will not happen by itself. Three loops form the Impact Engine:

1. The *Impact loop* drives recurring Impact based on proven impact programs.
2. The *Activity loop* is where activities take place that results in Impact.
3. The *Trigger loop* allows the surfacing of risks and opportunities in an account.

The Joint Impact Plan (JIP) orchestrates the various actions that drive the Impact. JIP uses SPICED across all actions to guide the proper conversation with the customer around Impact.

This allows you to train all customer-facing roles on how to drive Impact by asking good questions, listening, tracking adoption, measuring engagement, and responding to emails and surveys, participating in events, etc.

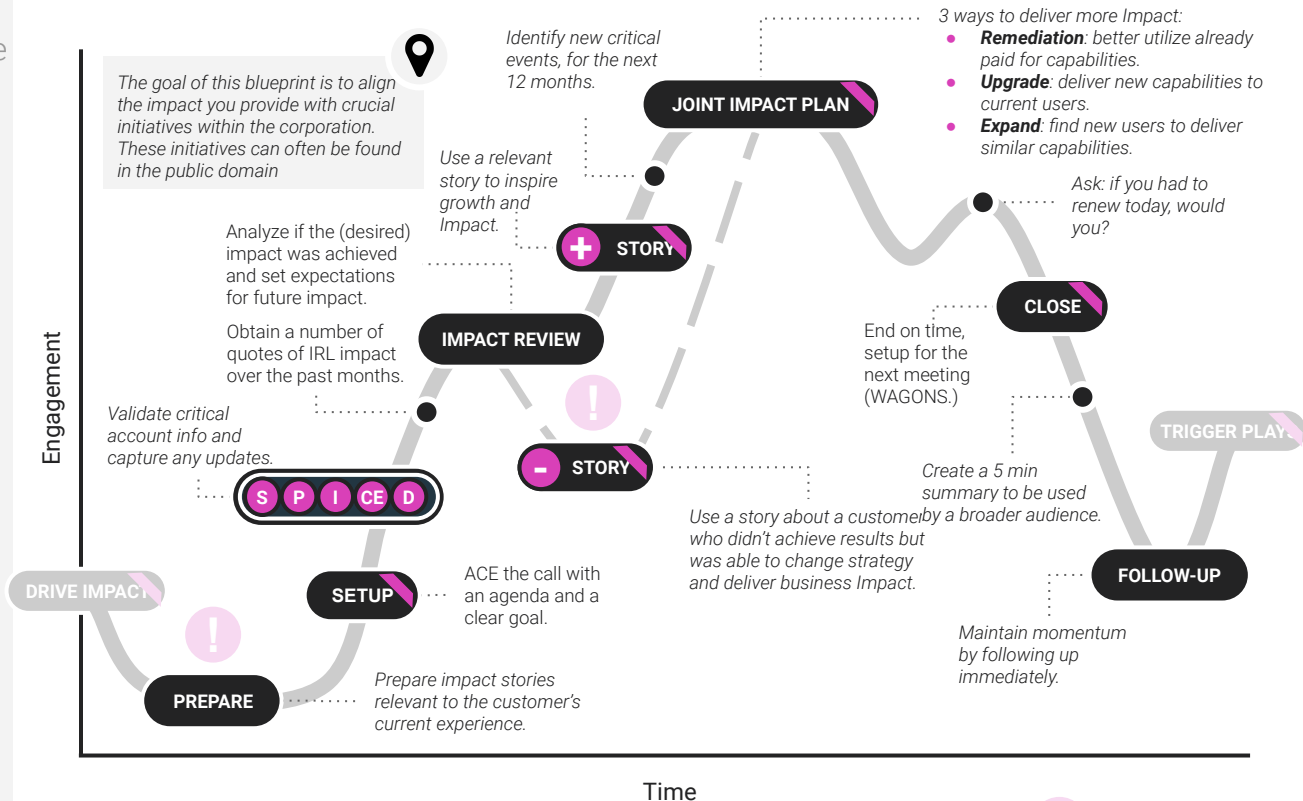


Impact Business Review

A2 Analyze if impact was achieved and set future impact expectations.

When asking for an executive's time, you must provide value. Use this blueprint to structure your EBR. Use storytelling and active listening to get the most out of the interaction while benefiting the executive.

An EBR is much more than a summary of past operational meetings. An EBR should be used to align the impact you provide with the company's strategic interest for the next 12 months.



 High churn risk



Trigger Plays

A3

Trigger Plays allow teams to react quickly to common scenarios

There will always be situations that take an account off the ideal customer path. Sometimes there are risks to a renewal and you have to mitigate to save the account. Sometimes an opportunity will surface that needs to be acted upon quickly.

There are some risks and opportunities that are common, and while you can't plan when they happen, you can prepare for when they do occur.

As a team you need to set Triggers for each of the most common Risks, and Opportunities following a *If This Then That* (IFTTT) format.

Example:

Trigger: If the Champion leaves then..

Action 1. Send out an introduction and schedule a discovery call with the person that replaces them. Provide insights on the impact offered over the past and next 12 months..

Action 2. Follow your Champion and see where they are going to land, as it likely may become a new opportunity for your sales team to pursue.

The goal of this blueprint is to identify a risk to the account or surface an expansion opportunity. This allows you to set a trigger play to mitigate the situation or address the opportunity.

Surface an Opportunity

- Over usage
- Team Growth
- Market Opportunity
- M&A Event
- Etc.

+ TRIGGER

Identify a Risk

- Champion Change
- Account Gone Dark
- Drop in Usage
- M&A Event
- Etc.

- TRIGGER

ACTION

Proven action(s) against the trigger.

IMPACT

Measure the impact of the actions taken.

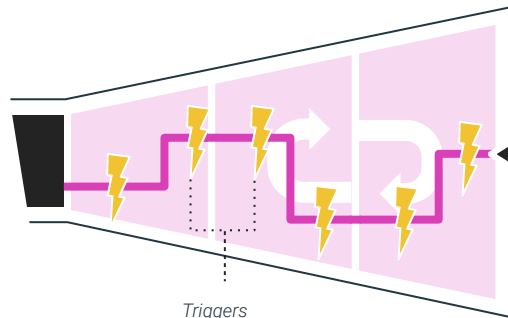
STORY

Record completed Trigger Plays as a pocket story using SPICED. This creates a reference for other team members.

Onboarding

Adoption

Expansion



Health Scoring

A4

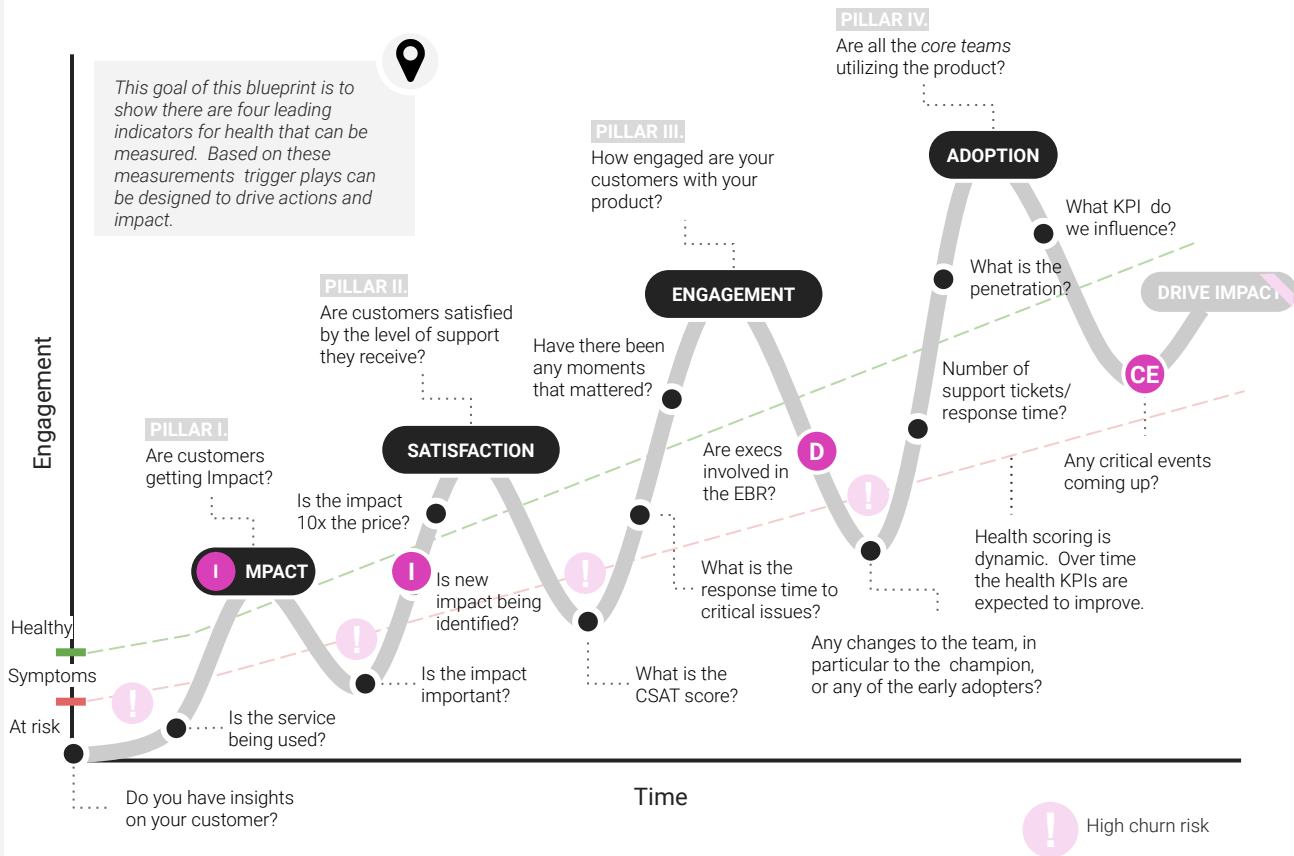
Use leading indicators to provide guidance on what to do.

Health Scoring is a great way to use patterns to highlight potential risks or opportunities for an account. While Health Scoring is not meant to be a diagnosis tool, it can highlight symptoms and help your teams know what accounts may need attention and where to look to get more information.

Health Scoring should be based on patterns unique to your product(s) and customers, and can be balanced between system indicators like a rise or fall in product usage, and qualitative indicators discovered through conversation.

When developing your score, it's important to involve Leadership, Product & other teams to create a simple scoring method for the organization.

TIP: Start with a single metric for each pillar



Renewal Execution

Many organizations approach renewals as an operational moment marked by paperwork and boxes ticked off. However, we encourage you to consider renewal as a strategic moment.

- If you have been delivering Impact consistently, exploring potential expansion opportunities is only natural, even more so this is an opportunity to expand the business.
- From a revenue perspective, adding just 3% annually to a customer contract will cause the LTV to compound year over year, contributing more to your revenue with each renewal. Here are a few reasons to add revenue:
 - Annual price increase.
 - True up floating users/usage.
 - Upsell new features.
 - Expand your network with the customer.

Start the process around six months ahead of the renewal date to provide time to develop an opportunity or mitigate any account risk.

